

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 393rd
MEETING OF THE**

BOARD OF COMMISSIONERS March 26, 2015

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on March 26, 2015 pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were George Nee, Paul MacDonald, Patrick Butler, Joseph DeLorenzo, Tony Mendez, Dale Venturini, John Hooper, Stan Israel and Jeff Hirsh.

Letitia Carter was unable to attend and a vacancy exists because of the resignation of Jim Bennett.

Also present were James P. McCarvill, Executive Director, Bernie Buonanno, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Larry Lepore, John McGinn, Kathy Masino, Amanda Wilmouth, Rachel Martelly, Pamela Bacon and Cheryl Cohen from the complex; Dan Schwartz and Michael Gravison, The VETS; Thomas Riel, PWCVB; Gary Rosshen, Local 217; Kerri Sloat, Guest of Jeff Hirsh; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Nee as Vice Chairman called the meeting to order at the meeting at 9:05 AM. Mr. Nee asked for a motion to approve the minutes of the

January meeting. Upon a motion duly made by Mr. DeLorenzo and seconded by Mr. Hooper it was unanimously

VOTED: to approve the minutes of the February Board Meeting.

Mr. Nee asked Mr. McCarvill to present the financial information for the month of February. Mr. McCarvill reported that the Convention Center's net income for the month of February was (\$242,192) to budget and (\$8,604) to the prior year. Year to date net income for the Convention Center was (\$1,651,386) to budget and (\$2,214,201) to the prior year. Mr. McCarvill stated that the weather impacted everything except the Home Show. He noted that lower event, food & beverage and ancillary revenue and higher expenses in services as well as snow removal contributed to a disappointing February. McCarvill reported that for the month of February the Dunkin' Donuts Center's net income variance was (\$176,222) to budget and (\$93,927) to the prior year. Mr. McCarvill noted that year to date net income for the Dunkin' Donuts Center was (\$87,752) to budget and \$153,166 to the prior year. Mr. McCarvill reported that the Dunk is a little under water right now but March should be good. He noted that labor costs were higher in February because of snow removal. Mr. McCarvill reported that for the month of February the VETS net income variance was (\$88,091) to budget and (\$37,165) to the prior year. Year to date net income for the VETS was (\$198,100) to budget and (\$103,518) to the prior year. Despite those numbers Mr. McCarvill said that even though the VETS was very busy they lost on some of those events

because they were self-promotes and they were not profitable. He noted that attendance is up and the number of events has increased. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of February was \$73,998 to budget and \$104,257 to the prior year. Year to date net income for the Authority was \$363,010 to budget and \$604,500 to the prior year. Mr. McCarvill stated that consolidated net income variance for the month of February was (\$432,507) to budget and (\$35,440) to the prior year. Year to date consolidated net income was (\$1,575,051) to budget and (\$1,560,879) to the prior year. Mr. McCarvill stated that the Authority looks better because the Convention Center and Dunkin' Donuts Center fees have gone away and are reflected in their individual income statements. Mr. Nee asked what the proposed room tax loss would mean to the Authority. Mr. McCarvill said that approximately \$25,000 a month would go away. Mr. Nee commented on our short fall for the year. Mr. McCarvill stated that the bond refunding will offset the loss this year.

Mr. Nee asked for a motion to accept the financial report as presented. Upon a motion duly made by Mr. Butler and seconded by Mr. Mendez it was unanimously

VOTED: to accept the financial report as presented.

Mr. Nee asked Ms. Keough to address the Board and present the marketing report. Ms. Keough distributed a press release that she

prepared entitled **Despite a Harsh Winter Facilities Attract More Than 355,000 People Into Downtown.** Ms. Keough said that we should let people know that during the worst late winter weather that we can remember the complex still opened its doors and welcomed thousands of people. Mr. Nee asked if this is a new initiative. Ms. Keough stated that it is in response to all the recent negative press. Mr. DeLorenzo asked if we know the revenue generated by these folks. Ms. Keough said that we have not run those numbers. Ms. Keough was pleased to report that the last regular season Providence College Basketball Game was close to a sell-out.

Mr. Nee recognized Mr. Hirsh who introduced his guest Kerri Sloat. Mr. Hirsh noted that Ms. Sloat is a great example of the CVB's Ambassador Program. Mr. Hirsh said that Ms. Sloat is a friend of his and that he was aware that she was interested in ceramics and belonged to a like-minded group of people. Mr. Hirsh said that he recommended to Kerri that she suggest the Convention Center for her group's next meeting. Ms. Sloat said that she is a member of the National Council on Education for the Ceramic Arts that is currently being held in the building. Ms. Sloat noted that the group is enjoying the building and complemented the staff for their assistance in making this an enjoyable experience. Mr. Reil noted that the group is very large and will have an economic impact of approximately \$2.8 million. Mr. Reil noted that we have high end business in the City. He said that we not only attracted the Ceramic Arts Group but soon Music Educators will be here.

Mr. Reil reported that February was a tough month because of the weather. He said that site visits were canceled as well as flights. Mr. Reil said that despite the weather there is a tremendous number of groups looking at us. He noted that we are now on the Phoenix Burn Society's rotation schedule. Mr. Reil reported that the CVB is now using a new calculation that helps to quantify the affect that a group has on the area. Ms. Venturini asked if all use the same comparative data. Mr. Reil answered yes and that this information will be presented monthly. Mr. Reil stated that tentative events will not be reflected in the economic impact.

Ms. Venturini reported that the Women in Tourism Tea Time Event was a huge success. Ms. Adamo reported that there will be a "Do Over Day" on April 18th. She said that because of the difficult winter many celebrations such as Valentine's Day, etc, were missed. Ms. Adamo noted that this will be your chance to celebrate any special occasion or event that did not happen because of the weather.

Mr. Schwartz reported that he is trying to get a Summer Concert Series for the VETS. Mr. Schwartz noted that 15,000 students attended the Philharmonic this month. He also noted that the Governor has tentatively scheduled a reception for the Legislators on March 27th in the theater. Mr. Mendez congratulated Mr. Schwartz on Project Flamenco. Ms. Venturini reported that she had attended even though it was closed to the public because she was invited. Mr.

Buonanno asked if the venue would be profitable for the rest of the year. Mr. Schwartz answered that according to the rolling forecast it would.

Mr. Lepore reported that the Convention Center had held dates for several months to accommodate the Grand Prix and a pharmaceutical group that we anticipated would occupy the building. Mr. Lepore noted that the Grand Prix did not take place and we were unable to fill those held dates with other business. Mr. Lepore stated that this contributed to the loss at the Convention Center. Mr. Butler asked how long a period of time did we hold. Mr. Lepore said that timing of the Grand Prix was difficult to predict and months were blocked for the event. Mr. Lepore said that it will not happen again. Mr. Nee said that the circumstances were unfortunate because the event did not happen.

Mr. McCarvill explained the relationship between hotel rooms and the Convention Center. Mr. McCarvill said that the Convention Center played a role in the development of hotel rooms close to the facility. Mr. McCarvill stated that circumstances have flipped and we have enough rooms to justify more meeting space. Mr. Lepore commented that JLC Live is outgrowing the building. Discussion ensued regarding the size of the building and the challenges we are facing. Mr. Mendez asked how much bigger do we need to be in order to remain competitive. Mr. Hirsh asked if we have any plans for expansion. Mr. Lepore said that we need a plan for the long term and

utilize our existing space as efficiently as possible.

Mr. Butler commented on the P Bruins and PC Basketball and the future of our relationship. Mr. Lepore said that there is a push to put basketball on Friday and the P Bruins have historically played on Friday. He said that there will be a challenge with scheduling. Mr. Butler thanked Brown University for hosting the NCAA Hockey Tournament. He said that we were blessed by the bracket gods. Mr. Lepore said that there is great advance ticket sales.

Mr. Nee reported that he expects Mr. Buonanno to be confirmed soon. He said following Mr. Buonanno's confirmation he will call a special meeting for the election of officers.

Mr. McCarvill reported that the refunding is on schedule and should go through and be priced on April 1st.

Mr. Nee asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Butler and seconded by Ms. Venturini it was unanimously

VOTED: to adjourn at 10:10 AM